UNDP

UNITED NATIONS

DEVELOPMENT

PROGRAMME

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DP/PROJECTS/7172

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A REGIONAL PROJECT OF THE ASIA AND PACIFIC REGION

IPF:(1987-91) $211 140 000
(RAS/92/430) - Tumen River Area Development Programme

Date of approval by the AC:[1/]	6 November 1991
Expected duration:	One year
Proposed executing agency:	UNDP/OPS
Government implementing agency:	Programme Management Committee (PMC) of Participant Governments (China, DPR Korea, Mongolia, Republic of Korea)
Proposed UNDP contribution:	$ 825 000 Source of funds: IPF
Total UNDP budget:	$ 825 000

Project background

The Tumen River which forms the boundary of China, the Democratic People's Republic of Korea (DPRK) and the Soviet Union, flows into the Sea of Japan. Starting at the mouth, the USSR (Soviet Far East) is to the north and DPRK to the south. Approximately 15 kilometers up river is Hunchun City of Yanbian Korea Autonomous Region, Jilin Province of China which is also the closest point to the sea for two north-east Chinese provinces which have important agricultural and industrial sectors. This area of the Tumen River, joining the frontiers of China, DPRK and USSR is centrally located in Northeast Asia facing Japan to the east. On the continent, the Tumen River basin backs the great hinterland stretching from Northeast China to the Mongolian People's Republic (MPR) and the vast area of Siberia of USSR, and provides an excellent starting point for a "land bridge" to Europe through China, Mongolia and the USSR. In view of the strategic importance for economic development and great potential for international economic co-operation of the Tumen River Area, its development has drawn increasing international attention recently and raised the issue of advantages.

Its importance in the economic development of Northeast Asian Region is based on: (i) geographic location for international transportation for the sub-region (both sea and land) benefitting coastal countries along the Sea of Japan as well as the landlocked MPR; (ii) complementarity of the natural resources, labour force and industrial structure and capital and managerial skills of the countries in the sub-region; (iii) rich natural resources of mineral, energy, water, farmland, and forest; (iv) the desire of the frontier countries for the acceleration of the dynamic economic development in the area; and (v) the possibilities for promotion of international trade and investment in the area based on the complementarity

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[1/] **This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.**

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between resource rich countries and capital rich countries in the sub-region.

These advantages were recognized by the countries at a meeting organized and chaired by UNDP in Ulaanbaatar in July which focussed on programming sub-regional assistance to the four countries during the Fifth Cycle. As a result, this programme was accorded highest priority for UNDP assistance by the Governments resulting in further preparation studies and a programming review meeting held in Pyongyang in October 1991. In Pyongyang the Governments reconfirmed their commitment to begin cooperation under this programme; reiterated their interest in Japan and the USSR being included in sub-regional activities; established an Action Plan to govern the work during the first 18 months; agreed to form a joint Programme Management Committee (PMC) on condition that UNDP continue, for the initial period as the Chair; agreed to establish three technical working Groups which should, initially, be led by UNDP consultants; requested that further detailed work be undertaken leading to a fully elaborated document for assistance over the 18 month period ending July 1993; and requested UNDP convene the first meeting of the PMC in January 1992.

Description of project

The immediate objectives of the project are to: (a) begin preliminary collection of economic and trade statistics; (b) field a programme formulation mission to prepare a full programme document; (c) organize and complete study tours to appropriate institutions world-wide; (d) visualize the ultimate organizational arrangements and benefits which might accrue; (e) organize the first PMC meeting and undertake early administrative activities to begin the institutional support framework; (f) initiate studies on economics, investment potential, and legal frameworks (potential treaty arrangements); and (g) increase trade and commercial operations among the countries as well as preliminary engineering studies

Inputs

UNDP will provide 12 work-months of a CTA programme manager, three work-months of consultant services in macro-economics, transit and trade, engineering, and legal matters and seven work-months of consultant services for currently unspecified needs; one administrative/programme assistant, study tours for Programme Management Committee and Working Group members to visit appropriate organizations and institutions in areas of trade, transit, engineering/construction, intergovernmental bodies, etc.; office supplies and materials; office equipment, computers for data collection and analysis; and miscellaneous costs.

Financial data

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Personnel	596 000
Training	152 000
Equipment	71 000
Miscellaneous	6 000
Total	825 000

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